

Estimated Fiscal Impact of Bill #

S.B. 16Date **Dec 14, 2009**Short Title **U-PASS Amendments**Contact **Randy Raphael**

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StatisticianAgency: **State Office of Education**

Pl

801-538-7802**Short Form**

Use only when there is no appropriation needed for state agencies, and no fiscal impact on state revenues, local governments, businesses, or individuals.

If the bill looks like it should have a fiscal note, explain why it does not. For example, a bill might put into code something that is already current practice.

Attachments welcome.

- ☒ State agencies will not require an appropriation to implement the bill.
- ☒ There is no fiscal impact on local governments.
- ☒ There is no fiscal impact on businesses
- ☒ There is no fiscal impact on individuals.
- ☒ The bill will not affect revenues.

Explain why this bill has no fiscal impact.

The bill eliminates the NRT requirement beginning with FY 2011, but the current NRT contract ends with FY 2010, and no money has been budgeted to establish a new contract with an NRT provider in FY 2011 or beyond, so there is no actual money to be saved.

A. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

B. Which program gets the appropriation?

(Approp. Unit Code)

(To appropriate to an additional program use an additional form.) This is ____ of ____.

C. Work Notes: Assumptions, calculations & what are we buying?

Assume that a legislator calls you in to explain how you came up with your fiscal impact and these are the only notes you get to take with you.

List all costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what \$50,000 will buy.

Attachments encouraged.

Based on email communication from Joe Borrack, USOE Assessment Contracts Specialist, 11/24/2009. See the "Documentation" tab for the complete text of the email. Other substantive provisions of the bill pertaining to the expansion of the assessment pilot program and online computer adaptive testing are permissive rather than mandatory. [There is no substantive difference between this numbered bill and the draft on which this note is based.]

Fiscal Impact Tables

Current Budget Year
FY 2010

Coming Budget Year
FY 2011

Future Budget Year
FY 2012

D. If this is a revenue bill, show impacts here. (Select funds from drop-down menu.)

Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

E. Show Costs to Implement the Bill by Fund (Select funds from drop-down menu.)

Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

F. Show Costs to Implement the Bill by Expense Category.

Personal Services			
Travel			
Current Expense			
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

G. How will the bill impact local governments?

Your estimate of the bill's impact
on local governments.

Attachments welcome.

H. How will the bill impact businesses?

Your estimate of the bill's impact
on businesses.

Attachments welcome.

I. How will the bill impact individuals?

Your estimate of the bill's impact
on individuals.

Attachments welcome.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.
LFA 11.20.08

Randy,

You have asked for an analysis of the fiscal impact of Draft Bill 2010FL-122/009 Utah Performance Assessment Test Systems for Students (U-PASS) Amendments. You have asked by how much state expenditures will be reduced in (current year) FY 2010, coming year (FY 2011), and/or future year (FY 2012) by eliminating “systematic norm-referenced achievement testing of all students in grades 3, 5 and 8” [lines 53-55]? You have specified that you would like a response today.

Current fiscal year 2010. The current contract with our norm-referenced test (NRT) provider allows for a budget of \$195,859. The billing under that contract to date is \$128,378.20 for production of this year’s NRT. Consequently, any reduction in expenditures for the current fiscal year will be minimal.

Coming fiscal year 2011. The current contract with our NRT provider represents the end of a multi-year relationship with that provider. Renewing the NRT, in other words, would require issuing a request for proposals (RFP) to enter a new agreement with an NRT provider. Typically, and based on USOE history, the startup costs of a new NRT contract (its first year) are much higher than following, or maintenance, years. For example, our most recent NRT startup year cost nearly \$800,000, an amount that should reasonably be expected to increase by close to 25% if we were to initiate another NRT contract. Bear in mind that this amount is not budgeted for fiscal year 2011; the elimination of an NRT will not save money or allow funds to be reallocated to another area. This is money we are already planning on not spending. Remember too that we are still obligated to test students in grade 3 to measure reading grade level, an endeavor that will require funding.

Future fiscal year 2012. As a year following a startup year, the potential non-expenditure of funds in this fiscal year would return to the maintenance level of roughly \$200,000 per year.

I hope this addresses your question. Please let me know if you have any questions or concerns.

Thank you,

Joseph Borrack

Contract Specialist

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